

MONTANA DISTRICT OFFICE

July 2021

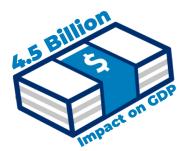
The Montana District Office (MDO) Monthly Focus is our opportunity to explore and highlight different elements that contribute to Montana's economy. MDO Monthly Focus is intended to highlight small businesses and our partners to inspire and encourage small business development and growth in different areas of the economy.

For more information about SBA and the Montana District Office Team, please visit: Montana District Office



Montana Retail Statistics

17.8K Retail Establishments





Independent Retailers

In July, not only will we celebrate our Independence on the Fourth, we will also recognize it as **Independent Retailers Month.** According to the National Retail Federation's report, "Economic Impact of the U.S. Retail Industry," retail is the nation's largest private-sector employer, driving the U.S. economy and supporting 52 million jobs in communities across the country.

Lining the main streets of our smallest communities to our largest towns, there are nearly 18,000 retailers across Montana, creating 82.5K jobs with \$3.6B Direct Labor Income, and adding \$9.6 Billion to our state's total GDP.

During the pandemic some of Montana's retailers not only survived, but thrived in 2020, as a result of increased support from their local communities. This support allowed many businesses to experience a successful year in an uncertain time. With that in mind, we encourage Montanan's to continue to shop local and support small independent retailers all across our state.

Clothing & Apparel

The U.S. apparel market is the largest in the world. Retail sales in clothing and accessory stores in the United States regularly exceed \$20 billion U.S. dollars on a monthly basis, in fact in December of 2019 sales amounted to \$35.3 billion with revenues for women's, children's, and men's clothing reaching \$273.8 billion for 2019. Revenues are not the only thing retail businesses drive, job growth is at nearly 5% annually, retail makes up for 6 out of 10 jobs in the U.S., and 18,910 jobs in Montana which include supervisors and sales people.

Just like with any industry, there are some rough patches as well, according to the **National Retail Federation**, nearly \$428 billion dollars worth of merchandise was returned in 2020, which is approximately 10.6 percent of total U.S. retail sales in 2020, which was double from the previous year. However, there is a bright spot in the dark, retail sales are already tracking 17.6 percent above the same five months of 2020, with a growth estimated between 10.5 percent and 13.5 percent for 2021. It seems that the retail and clothing industry is coming back strong.



THE MONTANA SCENE

CLOTHING & APPAREL



Business: The Montana Scene

Website: www.TheMontanaScene.com

Owner: Melissa and Sean Bonnet

Description: The Montana Scene is a lifestyle clothing and apparel company started in Bigfork, MT by Melissa Bonnet and her husband Sean. It all began in 2010 as it was known as Bear Food Inc., a giftshop and deli, but was rebranded in 2014 to The Montana Scene, a clothing company that shares their love for the great state of Montana.

Thanks in-part to the popularity of their designs and a strong web-presence, the Montana Scene has since grown to multiple storefront retail locations in Missoula, Whitefish, Bozeman, Kalispell, including a children's boutique, and a new micro-retail concept store.

Five Questions with Melissa & Sean

1. What does The Montana Scene mean to you?

Originally, when we first started, we were young and passionate people who wanted to start a business. Now that we've grown to over 50 employees, *taking care of our team and giving back to community means more to us and we want to give more*. We have evolved from having ambition and not having a mission, to being passionate about the product we produce and having a strategy to grow.

2. What happened in the last twelve months that changed your business?

When we first opened, we wanted our business to have a successful website because of the seasonality of where we were located. Fortunately when the shutdown occurred we already had a strong web-presence and our fanbase who helped us through by shopping online. Being vertically integrated we didn't have the same issues with supply chain, inventory, and

fulfilment that other businesses had., which allowed us to focus on being there for our team, cementing our production procedures, and planning out our next steps.

3. How did the SBA impact your business?

The SBA PPP program was extremely helpful. Those funds were *the catalyst* that gave us the ability to hire back people at better wages, stock up on supplies to meet the demand, and keep our doors open. Glacier Bank was so quick to help us we can't thank them enough. Their commercial lending department and the SBA gave us the capital to prepare us for the storm.

"[PPP] gave us the ability to hire back people at better wages, stock up on supplies to meet the demand"

- Melissa & Sean Bonnet

4. What does the future hold?

With current demand, we are at capacity and need room to grow. We are looking to expand to a warehouse, which is a big move for us, and we need to hire professional staff for logistics, shipping, inhouse design, HR, and marketing. We try to always go back to the meaning of the store, to grow incrementally by focusing on what we do best and be meaningful to the communities we are in.

5. What piece of wisdom would you give someone getting ready to start a business?

Starting a business can be really hard in the beginning, but keep working hard, be flexible, and if you do that, it'll become something beautiful, it's like our child. Melissa is the risk taker and I'm (Sean) more of a planner, but too much planning incumbers your ability to change. Just begin and be willing to pivot, because the worst decision you can make is no decision.